

Results-Focused Performance Goals

Elements to understanding outcome measures:

1. They have to be objective, measurable, and quantifiable.
2. They have to indicate progress towards the strategic objectives.
3. They have to show the results or impact of the organization's products and services to the customers and be meaningful and understandable to the customer. In other words, tell the Congressman or Congresswoman why the organization should continue to exist and what benefits, results, or impacts it has on constituents, the soldier, taxpayer, contractor, employee.

Output goals measure the products and services--internal processes--not very meaningful to the customer, although very meaningful to internal organization management. The problem is it is difficult to write outcome goals unless you have clear strategic and program objectives. Below are some suggestions.

If data capability does not exist to support customer results-oriented performance goals, then this has to be stated in the performance plan. If we do not control but only influence goals, this should also be stated and crosscutting goals with other organizations should be identified. Outcome goals can be at the objective level as well as the performance goal level.

EXAMPLES:

- I. DoD Outcome Goal – Maintain Combat Readiness at xx% level.
- A. DCMC General Objective Outcome Goal – Deliver conforming products and services to our customers on time 95% of the time.
 1. DCMC supporting outcome goals –
 - a. Customers will receive no more than xx product defects per 1,000 shipments.
 - b. Customers will receive no more than xx packaging discrepancies per 1,000 shipments.
 - c. Customers will receive timely delay notices on 95% of the delinquencies to permit them to select alternative sources of supply.
 - d. 95% of the items received by the customer will be conforming.
 - e. Over and Above processing measure, increase # of O&A standards, link to excess sorties.
- II. DoD Strategic Objectives – Improve DoD financial management, return on investment. Use excess dollars to fund DoD modernization efforts.
- A. DCMC Outcome Goal – Reduce DCMC total costs to xx cents per \$1,000 customer contract dollars administered.
 1. DCMC supporting performance goals -
 - a. Reduce DCMC unit cost per customer contract administered to no more than xx per contract.
 - b. Maintain no more than xx GSA vehicles at the minimum mileage rate of xx miles per month.
 - c. Reduce average sq ft of space rented from xx sq ft to xx sq ft in FY 00.

B. DCMC Outcome Goal – Increase funds returned to DoD to xx for FY 00 to support DoD modernization efforts from improved DCMC financial management.

1. DCMC supporting performance goals -
 - a. Funds returned from excess property.
 - b. Funds returned from fraud convictions.
 - c. Funds returned or funds not expired from timely contract closeout.
 - d. Funds returned or costs avoided from termination.
2. Reduce cost overruns on major programs from xx dollars to no more than xx dollars in FY 00.

* Performance Goal: A target level (desired outcome) of accomplishment expressed as a tangible and measurable objective against which actual achievement is compared.

* A critical enabler in achieving desired performance goals is the ability to measure performance.

* Having that foundation, the performance measures we establish should be SMART (specific, measurable, action-oriented, relevant, and timely).

EXAMPLE: Based on our desired outcome to closeout contracts IAW FAR requirements (timely), the goal might read:

“Closeout 90% of fixed price contracts within 180 days from final acceptance date.”

CAOs would then be held accountable to the "bottom line/outcome goal." Common sense would dictate that they supplement the plan by measuring the associated major activities or "in-process" performance measures (commonly referred to as "feeder measures" or work accomplishment/outputs that are especially critical in achieving the desired outcome).

EXAMPLES:

- * Cycle time in moving contracts from section 1 to 2.
- * Cycle time in moving contracts from section 2 to 5.

Note: If these "in-process" outputs and measures are under control, there will be no problem in reaching the desired outcome-oriented performance goal.

Example of linking measures already in place to a customer support outcome. (Also tied to example B, above.)

- ◆ Timely and cost effective disposal of excess government property.
 - Increase excess property disposed of by 20%.
 - Increase cost savings/cost avoidance resulting from disposed/re-utilized property by xx%.
- ◆ Responsiveness to customer requests.
 - What is the Command-wide process for gathering and understanding customer requirements, priorities, and initiatives...for integrating them into our business planning/assessment process and decisionmaking process.
 - Measuring our responsiveness and the quality of the response.